

SENATE BILL 1432

By Jackson

AN ACT to amend Tennessee Code Annotated, Sections 30-3-113 and 66-29-122, relative to the Uniform Disposition of Unclaimed Property Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 30-3-113, is amended by deleting the same in its entirety and by substituting instead the following:

(a) In each case of termination of receivership as provided in § 30-3-110, the court, except in cases where the proceedings have been certified to the probate court under subsections (a) or (c) of § 30-3-108, shall set aside the sum there named and direct its payment by the receiver to the state treasurer, who shall deal with such sum in accordance with the provisions of the Uniform Disposition of Unclaimed Property Act, compiled in title 66, chapter 29.

(b) Any person lawfully entitled to receive any money paid to the state treasurer pursuant to this section may claim the amount due in accordance with the provisions of title 66, chapter 29.

(c) All sums held by the state treasurer under this part prior to the effective date of this act shall be transferred to the appropriate account within the state treasury that is maintained for the prompt payment of claims under title 66, chapter 29, and all such sums and claims thereto shall be handled in accordance with the provisions of title 66, chapter 29.

SECTION 2. Tennessee Code Annotated, Section 66-29-122, is amended by deleting the same in its entirety and by substituting instead the following:

(a) An agreement with an owner whereby the owner is to pay a fee or other remuneration for locating, delivering, recovering, or assisting in the recovery of property that has not yet been reported to the treasurer pursuant to this part is enforceable only if:

- (1) The agreement is in writing;
- (2) Clearly sets forth the nature of the property and the services to be rendered;
- (3) Is signed by the apparent owner;
- (4) States the value of the property before and after the fee; and
- (5) Discloses that, absent the agreement, the property would otherwise be delivered to the Tennessee state treasurer for safekeeping on the owner's behalf and that upon such delivery, the owner would have been able to recover the property from the treasurer without charge. The agreement shall further state the date on which the property would be reportable to the treasurer in absence of the agreement.

(b) An agreement with an owner whereby the owner is to pay a fee or other remuneration for locating, delivering, recovering, or assisting in the recovery of property that has been reported to the treasurer under this part is enforceable only if:

- (1) The property has been held by the treasurer for a period of one (1) year from the date advertised by the treasurer.
- (2) The agreement is in writing;
- (3) Provides for a fee of not more than ten percent (10%) of the value of the recoverable property or fifty dollars (\$50.00), whichever is greater;
- (4) Clearly sets forth the nature of the property and the services to be rendered;
- (5) Is signed by the apparent owner; and
- (6) States the value of the property before and after the fee.

(c) Nothing in this section shall be construed to prevent an owner from asserting at any time that an agreement to locate, deliver, recover, or assist in the recovery of property is based upon an excessive or unjust consideration.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. Section 1 of this act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to all future and existing sums held by the state treasurer pursuant to title 30, chapter 3, part 1, regardless of the date the sums were received. Section 2 of this act shall take effect on July 1, 2005, the public welfare requiring it and shall apply to all agreements entered into on or after July 1, 2005.